

COUNCIL COMMUNICATION

AGENDA TITLE:

Authorization to Cancel Contract for the Lodi Conference and Visitors Bureau

(LCVB) as per Request from the Lodi District Chamber of Commerce Board of

Directors.

MEETING DATE:

December 17, 1997

SUBMITTED BY:

Deputy City Manager

RECOMMENDED ACTION:

That the City Council terminate the contract for the Lodi Conference and

Visitors Bureau (LCVB) effective December 31, 1997.

BACKGROUND INFORMATION:

The City of Lodi entered into a contract on June 30, 1995 with the Lodi District Chamber of Commerce to establish the Lodi Conference and

Visitors Bureau. The LCVB was established and funded by the City of

Lodi with the caveat that the LCVB seek additional sponsors to minimize the City's financial participation. The LCVB, although able to generate enthusiasm and interest in the Bureau, was not able to identify alternative funding sources.

Subsequently, the Lodi District Chamber of Commerce Board of Directors met September 16, 1997 to discuss the viability of the LCVB and voted to terminate the Contract with the City of Lodi. The Board has requested (See attached letter) that the City uphold their recommendation and terminate the contract effective December 31, 1997.

The City contributed \$75,000 to the LCVB this year of which approximately half of the funds will be returned to the City of Lodi.

FUNDING:

None

Respectfully,

Jánet S. Keeter

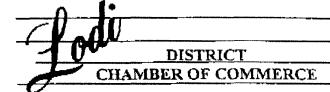
Deputy City Manager

JSK:br Attachment

APPROVED:

i. Dixon Flynn -- City Manage

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September 30, 1997

City Manager, Dixon Flynn Mayor, Phillip A. Pennino Council Members, Jack A. Sieglock, Stephen J. Mann, David Warner, Keith Land Lodi City Hall P.O. Box 3006 Lodi, CA 95241-1910

Subject: Lodi Conference and Visitors Bureau

Gentlemen:

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Over the past few months, I have spent considerable time evaluating the performance and progress of the Lodi Conference and Visitors Bureau (LCVB).

While we have made significant strides in promoting the City of Lodi as a tourist center and increased the city's visibility, I have struggled to find a true measuring device which can give us definitive proof that we are achieving an adequate return on our investment.

Further, and more importantly, by virtue of the Contract entered into on June 30, 1995 between the City of Lodi and the Lodi District Chamber of Commerce which established the LCVB, it is stated explicitly that, "the LCVB is expected to seek additional sponsors to increase the size and scope of the program and to lower the level of the City's participation."

In reality, sponsorship funding for the LCVB has been, and will continue to be, difficult to obtain (in any significant amount) as a means to reduce the City's level of participation, while expecting growth of the program. Since Lodi is not a recognized tourist town like Napa, Santa Cruz or Monterey, the perceived value to sponsor the LCVB by local motels and restaurants is very low.

Gentlemen, with this said, the Lodi District Chamber of Commerce Board of Directors, at their September 16th meeting, voted to terminate the Contract between the City of Lodi and the Lodi District Chamber of Commerce effective December 31, 1997 on my recommendation.

City Manager, Dixon Flynn

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September 30, 1997

While this was a difficult decision for the Board to make, it was made in the best interest of the City and the Chamber. This decision does not in any way indicate failure, but a redirection of resources and vision. In fact, the high level of energy, professionalism and dedication of the Bureau Director have been admirable.

It remains the intent of the Chamber to continue to promote tourism through our Tourism Committee and to continue our joint efforts with the City in developing strategic planning for economic development. Should the City of Lodi elect to continue the LCVB under its jurisdiction, the Chamber will give our full support in promoting the LCVB.

On behalf of the Board, I respectfully ask that the Council uphold the Board's vote to terminate the Contract effective December 31, 1997. Your understanding and support in this matter is greatly appreciated.

Sincerely,

Les Dabritz
Executive Director

cc: Bruce Sasaki, Board President

Congress

CITY COUNCIL

JACK A. SIEGLOCK, Mayor KEITH LAND, Mayor Pro Tempore STEPHEN J. MANN PHILLIP A. PENNINO DAVID P. WARNER

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
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December 22, 1997

H. DIXON FLYNN
City Manager
ALICE M. REIMCHE
City Clerk
RANDALL A. HAYS

City Attorney

Les Dabritz, Executive Director Lodi District Chamber of Commerce P.O. Box 386 Lodi, CA 95241

RE: Lodi Conference and Visitors Bureau (LCVB) Contract

At its regular meeting of December 17, 1997 the Lodi City Council voted to uphold the recommendation of the Chamber of Commerce Board of Directors in terminating the contract regarding the Conference and Visitors Bureau.

As you know, the City of Lodi entered into a contract on June 30, 1995 with the Lodi District Chamber of Commerce establishing the Lodi Conference and Visitors Bureau. The LCVB was funded by the City of Lodi with the caveat that the LCVB seek additional sponsors to minimize the City's financial participation. Although able to generate enthusiasm and interest in the Bureau, the LCVB was unable to identify alternative funding sources.

Subsequently, the Chamber of Commerce Board of Directors met on September 16, 1997 to discuss the viability of the LCVB and voted to terminate the contract with the City of Lodi, thus bringing the item to the Council for final action.

The City of Lodi contributed \$75,000 to the LCVB this year, with approximately half of the funding expended to date. Any unused funds should at this time revert back to the City of Lodi. Returned funds should be sent to the following:

City of Lodi c/o Alice Reimche, City Clerk P.O. Box 3006 Lodi, CA 95241-1910

Please feel free to call me, or City Clerk Reimche, should you have any questions, comments or concerns regarding this matter.

Very truly yours,

Jack A. Sieglock Mayor

JAS:JLT